

Statistic: Employment-Population Ratio (seasonally-adjusted data)

Analysis:

The Employment-Population Ratio for a state is equal to the number of people reporting that they are employed divided by the state's estimated noninstitutionalized civilian population age 16 and older. At the start of the last U.S. recession (December 2007), Iowa's Employment-Population Ratio was at 69.6%, meaning that 69.6% of Iowa's civilian, noninstitutionalized population age 16 and over reported having a job. That ranked Iowa seventh highest in the country, with a rate 6.7 percentage points higher than the national average of 62.9%. Employment-Population Ratios declined during and after the recession, both in Iowa and nationally, and have since rebounded somewhat. The Iowa ratio now stands at 66.4%, a decline from the recent peak (September 2014 = 67.5%). The 66.4% Iowa ratio is the ninth highest in the nation and is 6.2 percentage points above the current national average (60.2%).

A high Employment-Population Ratio is a good thing, as it means a larger portion of a state's population is currently working. However, meaningful increases in employment are more difficult to achieve in high-ratio states within the constraints of the existing population. Over the history of the statistic, no state has recorded an employed population rate higher than 73.0% (Minnesota = 73.0% in 2000 and 2001), and the highest rate achieved in Iowa was 71.0% (1996). With continued aging of the Iowa population, increasing the rate could prove more difficult.

North Dakota (70.4%), Utah (67.7%), Minnesota (67.3%), and South Dakota (67.0%) currently have the highest ratios. The state with the lowest ratio is West Virginia (50.7%).

Additional information can be found on the Legislative Services Agency's Economic Trends webpage at <https://www.legis.iowa.gov/publications/fiscal/economicTrends>. The webpage includes links to source sites and the underlying data for each Economic Trends indicator.

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